

# Sustainability at Wal-Mart

Kevin Dyer, Regional Transportation Director  
April, 2008

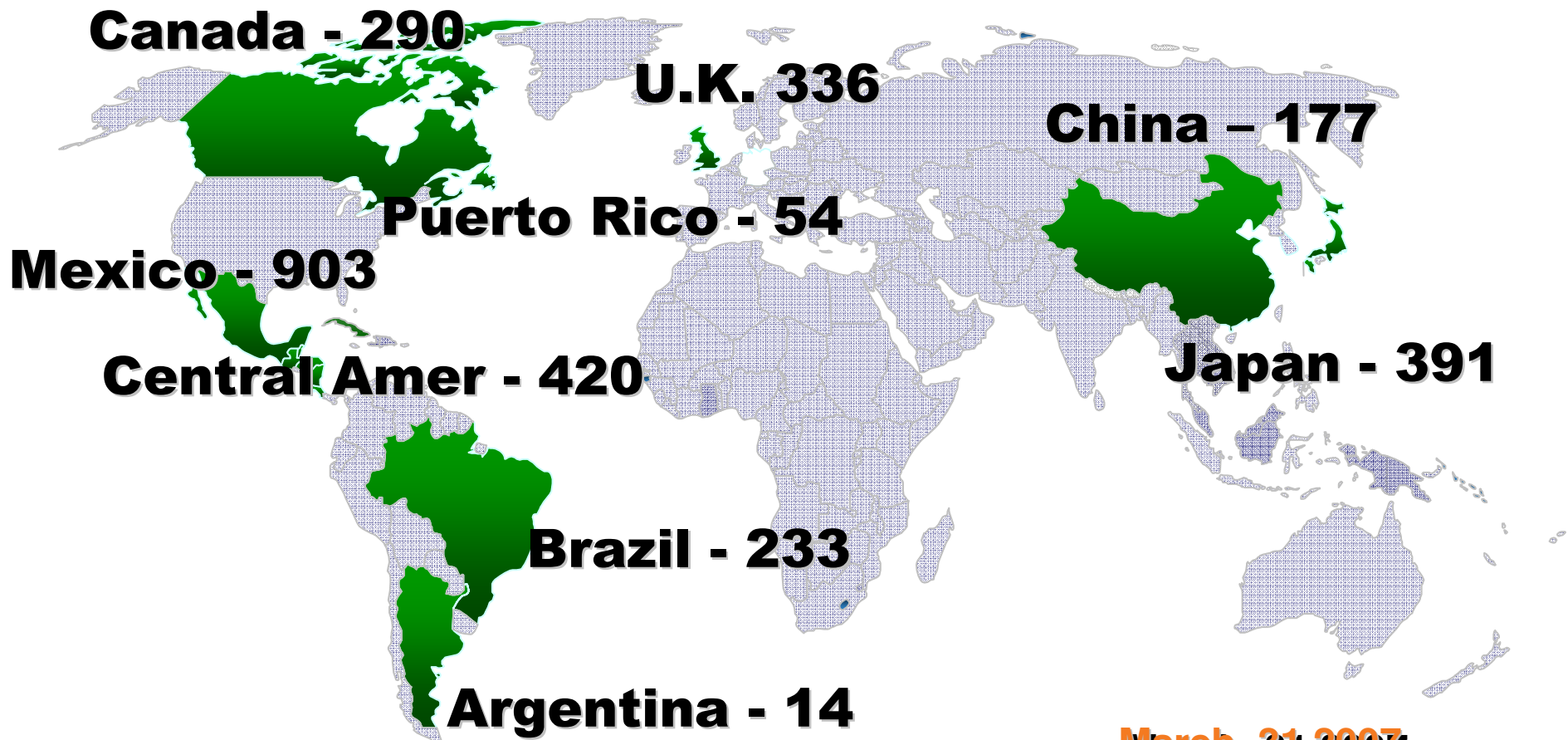
Saving  
people  
money  
so they  
can live  
better

# Original Environmental Motivation

- **Mitigate “foot print”**
- **Leverage Wal-Mart influence**

# International Stores/Clubs

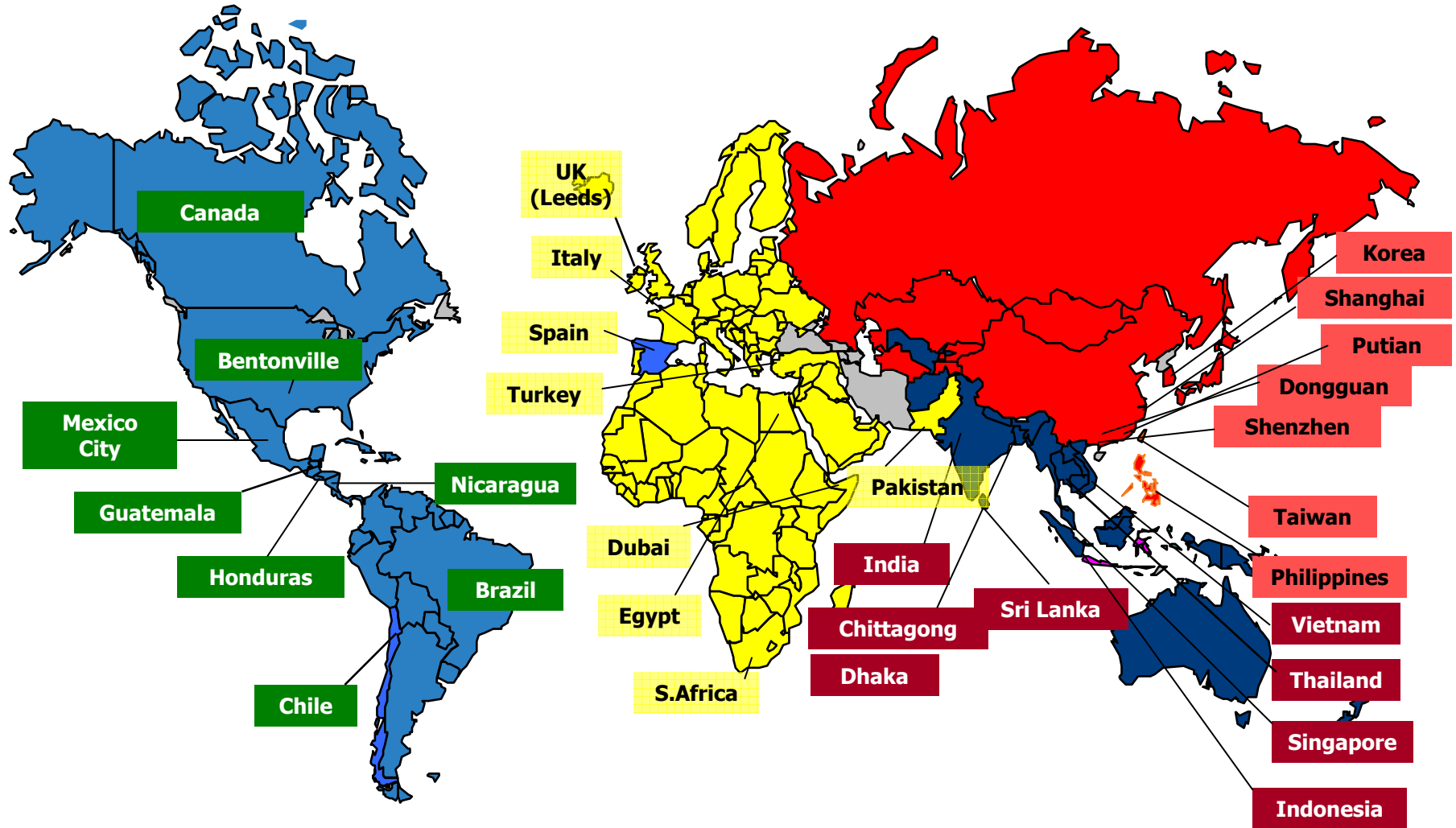
**TOTAL: 2884 Stores**



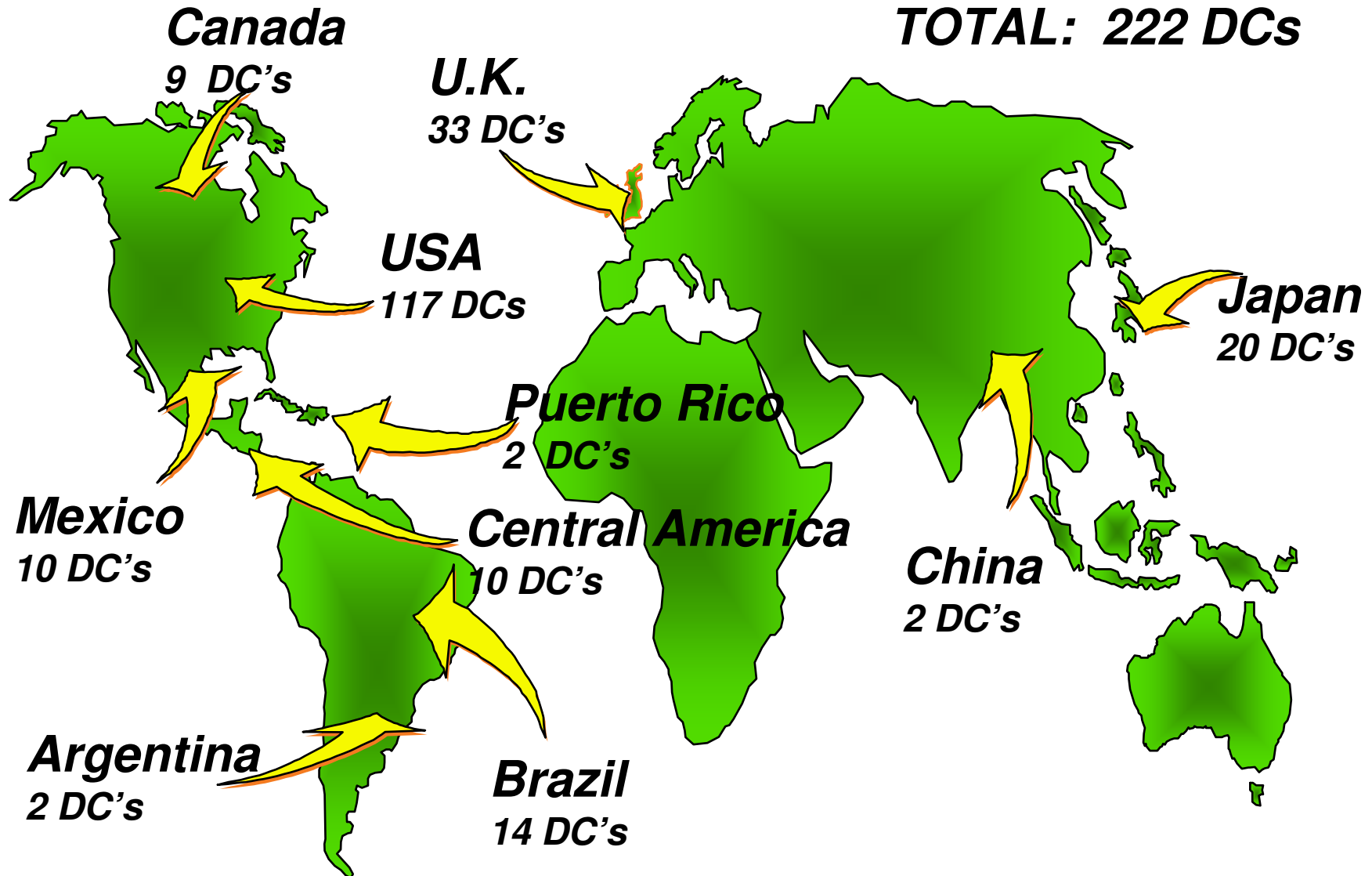
**March, 31 2007**

**WAL★MART®**

# Procurement Impact



# Distribution Impact

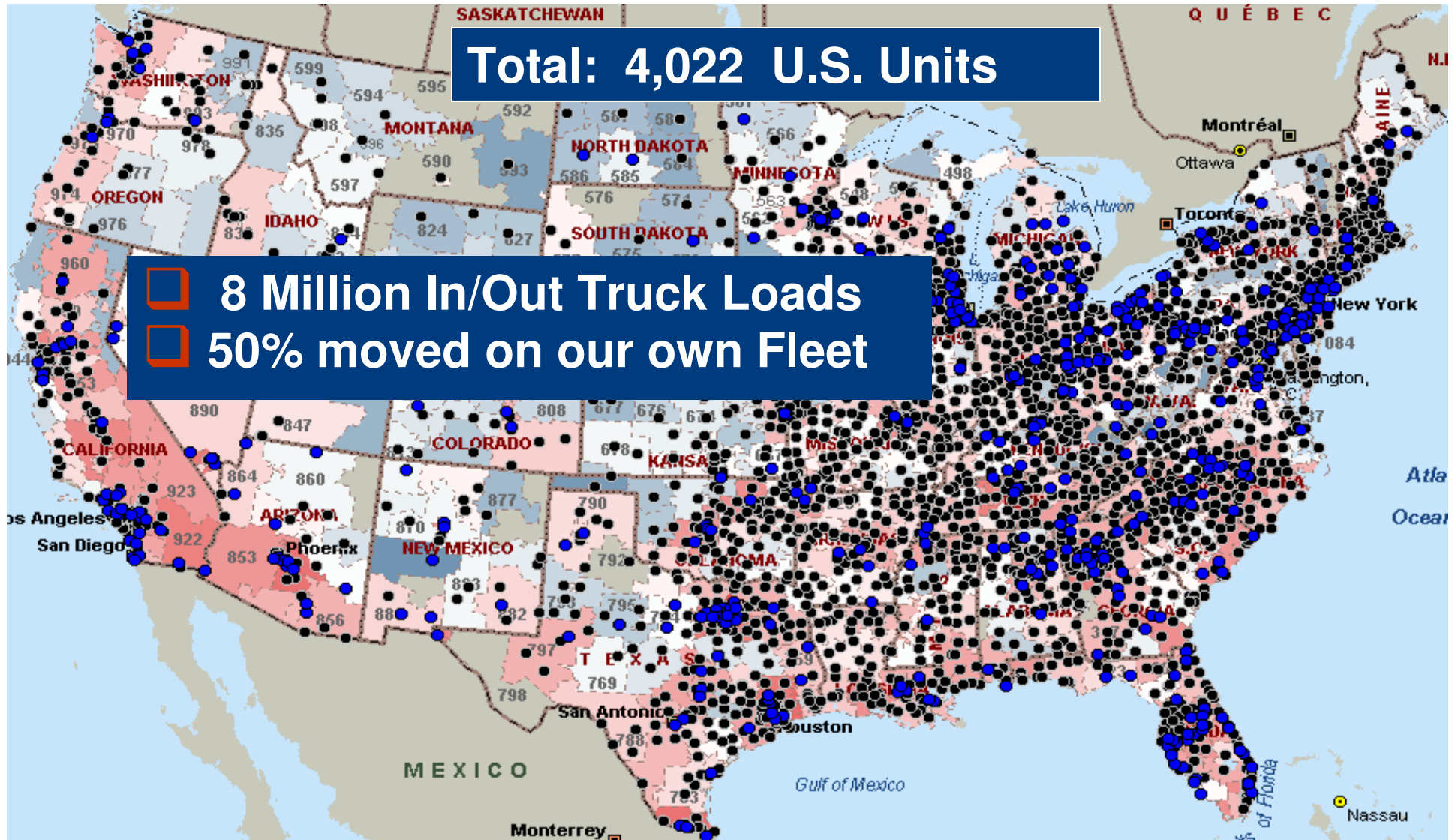


# US Stores/Clubs

**WAL★MART®**

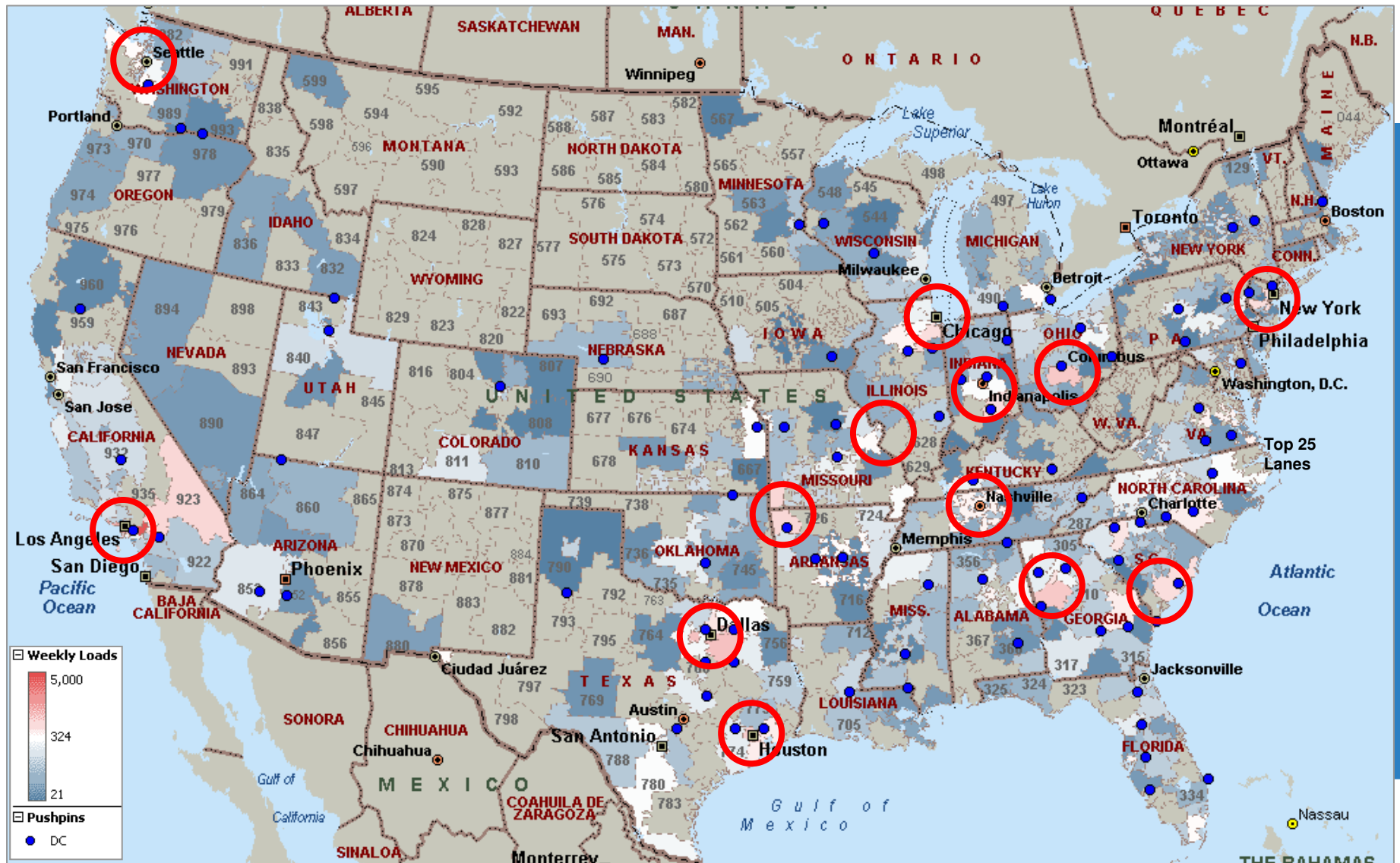
**Total: 4,022 U.S. Units**

**8 Million In/Out Truck Loads**  
**50% moved on our own Fleet**



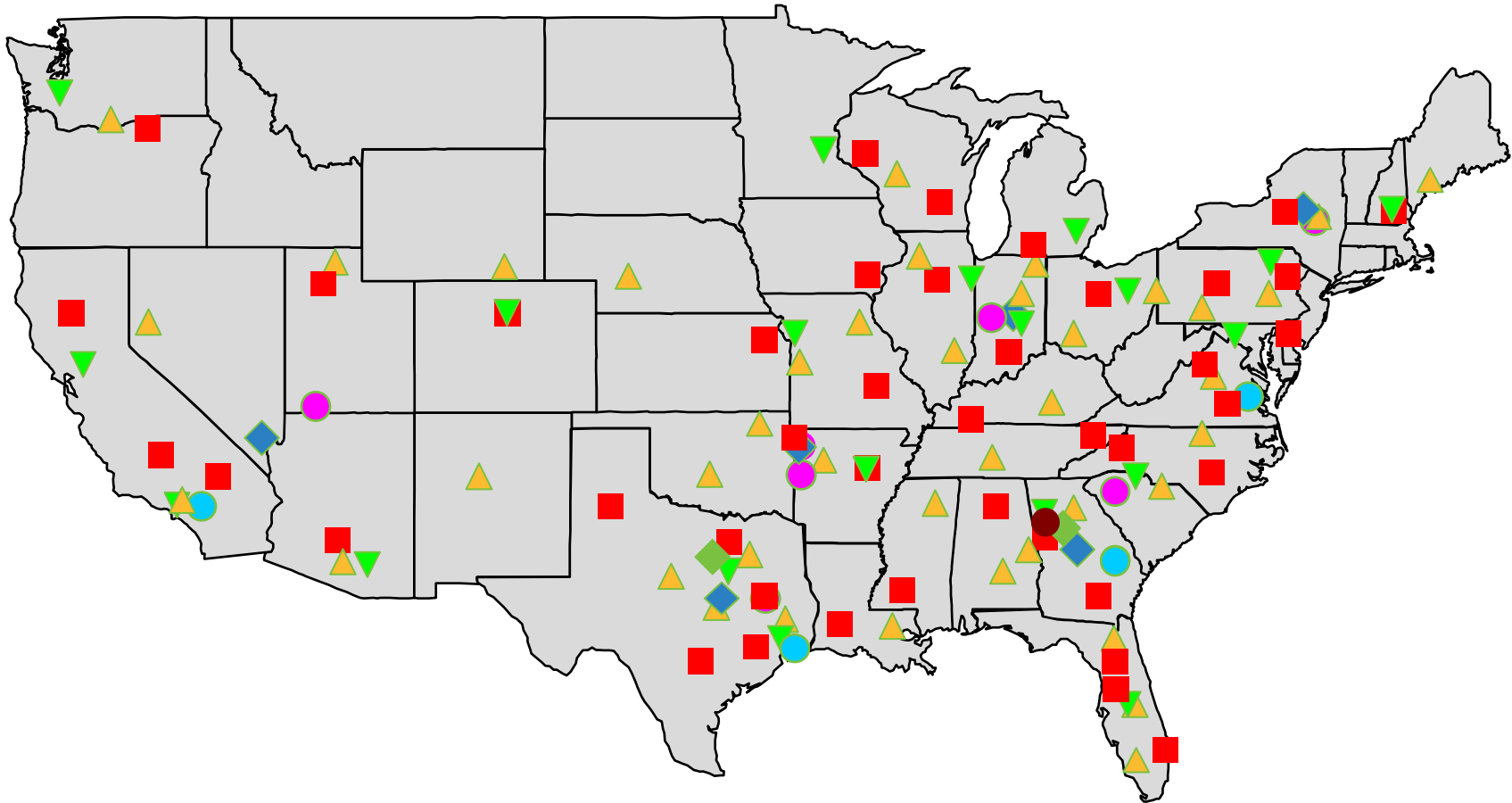


# Supplier Density



 Dense Inbound Ship Points

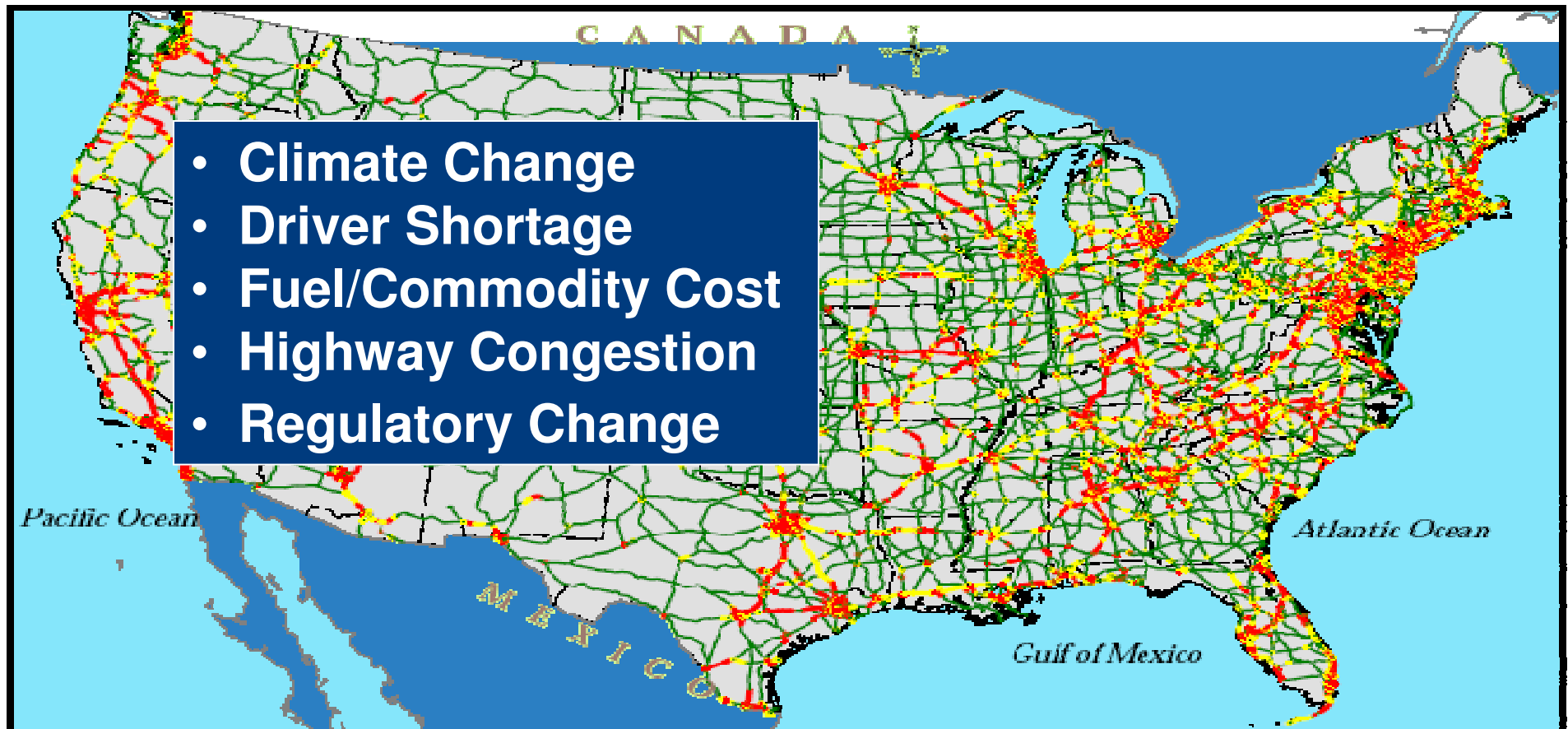
# Wal-Mart US Logistics Networks





# Industry

**WAL★MART®**



US Department of Transportation  
Federal Highway Administration  
Office of Freight Management and Operations  
Freight Analysis Framework

National Highway System Estimated Peak Period Congestion  
(2020)

NHS Highways  
— Below Capacity  
— Approaching Capacity  
— Exceeding Capacity



***Be supplied  
100% by  
renewable  
energy***

- Existing stores 20% more efficient in 2012
- New stores 30% more efficient in 2009
- Fleet 25% more efficient in 2008, double in 2015




***Create zero  
waste***

- 25% reduction in solid waste in 2008
- All private brand packaging improved in 2007 (right sized, reusable materials)



***Sell products that  
sustain our  
environment***

- 20% supply base aligned in 2008
- Preference given to aligned suppliers in 2008



**Earth-friendly  
products won't  
save the Earth  
if they don't save  
people money.**

At Wal-Mart®, our heart is in sustainability. How can you tell? We don't stop at offering an extensive line of Earth-friendly products, from compact fluorescent light bulbs to organic cotton sleepwear to organic tomatoes. We

What if...

## Every Customer Changes 1 Bulb



- + \$3 billion saved on power bills.**
- + 22 billion pounds of coal prevented from being burned.**
- + 700,000 cars worth of greenhouse gases kept out of our air.**
- + 700 million incandescent bulbs kept from the landfill.**

# Packaging

**Worked with supplier to remove excess packaging from 277 Kid Connection toy SKU's.**





**Used 727 fewer shipping containers. Saved \$3.5 million on transportation costs.**



**Saved 5,100 trees.**



**Prevented 1,300 barrels of oil from being used.**

**Just 277 SKU's. Imagine the possibilities...**

# Product Innovation

Plastic Resin  
Reduction.....128.9MM lbs

Gallons of Water  
Saved.....478.1MM

Gallons of Diesel  
Saved.....20.7MM

Reduced # of  
Trucks.....2.79MM





# Experimental Stores

Air Conditioning Condensation collected and used for landscape irrigation



Waste oil and cooking oil recycled to generate heat



# Distribution Center Operations

## Energy Management

- Energy Efficient conveyor systems
- Hydrogen Fuel Cell technology
- Waste Reduction



# *Productivity* *Fuel/Energy Efficiency*

25%  
Improvement  
by FY09

100%  
Improvement  
by FY16



**A safe, efficient supply chain,  
is environmentally sustainable –  
reducing congestion,  
emissions, and cost to our Company & our  
Customers.**

## Environmental Sustainability Goals

- Ahead of our goal is to improve Fleet efficiency 25% by FYE 2008
- APU's are saving \$25 million in fuel expense
  - Eliminating 100,000 metric tons of CO2
- 2nd consecutive year recognized by the EPA SmartWay program.





## Power Electric Carrier



- Mounted LH under sleeper
- Concealed by fairing
- Deck access via fuel tank step



## Hybrid Display



- 7" Color Display
- Power flow schematic
- Fuel Economy bar graph







1-24-2008



**Wal-Mart  
Transportation, LLC**

FRIEDMANN  
corus Thyssen